



ARMSTRONG[®]
TELEPHONE COMPANY - NORTHERN DIVISION

DOCKET FILE COPY ORIGINAL

Received & Inspected

OCT 23 2013

FCC Mail Room

ONE ARMSTRONG PLACE • BUTLER, PA 16001 • 724-283-0925 • Fax 283-9655

October 11, 2013

VIA OVERNIGHT DELIVERY

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC 20554

RE: **WC Docket No 10-90, GN 09-51, WC Docket 07-135, WC Docket 05-337, CC Docket No. 01-92, CC Docket 96-45, WC Docket No. 03-109 and WT Docket No. 10-208, ETC Federal High Cost Support and Life Line Program Support, FCC Form 481 Submission**

Dear Ms. Dortch:

Armstrong Telephone Company – Northern Division ("NAME"), a privately-held rate of return carrier receiving high cost support, respectfully submits its FCC Form 481 to the Commission in compliance with 47 C.F.R. §§ 54.313 and 54.422. This information has also been supplied to the Public Service Commission of West Virginia and USAC as outlined in the above referenced Docket Numbers

Please feel free to contact me with any questions regarding this particular matter.

Sincerely,

James W. Ranko

Enclosures

.cc Public Service Commission of West Virginia

No. of Copies rec'd
List ABCDE

0+2

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

 FCC Form 481
 OMB Control No. 3050-0086 / OMB Control No. 3050-0819
 July 2013

<010> Study Area Code	200267
<015> Study Area Name	ARMSTRONG TEL. CO.
<020> Program Year	2014
<030> Contact Name: Person USAC should contact with questions about this data	James W Ranko
<035> Contact Telephone Number: Number of the person identified in data line <030>	724-283-0925
<039> Contact Email Address: Email of the person identified in data line <030>	jranko@agoc.com

Received & Inspected

OCT 23 2013

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ANNUAL REPORTING FOR ALL CARRIERS		54.313 Completion Required	54.422 Completion Required
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report			
<300> Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310> Detail on Attempts (voice)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	1.29		
<420> Mobile	0.0		
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<440> Fixed	0.41		
<450> Mobile	0.0		
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> 200267wv510	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> 200267wv610	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010> <input type="radio"/> <input checked="" type="radio"/>	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<2005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	200267
<015>	Study Area Name	ARMSTRONG TEL. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	James W Ranko
<035>	Contact Telephone Number - Number of person identified in data line <030>	724-263-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
<111>	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
 <114> Report how much universal service (USF) support was received
 <115> How (USF) was used to improve service quality
 <116> How (USF) was used to improve service coverage
 <117> How (USF) was used to improve service capacity
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

(200) Service Outage Reporting (Voice) Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
--	--

<010>	Study Area Code	200267
<015>	Study Area Name	ARMSTRONG TEL. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	James W Ranko
<035>	Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agcc.com

[illegible]

<010>	Study Area Code	200267
<015>	Study Area Name	ARMSTRONG TEL. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	James W Ranko
<035>	Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com

<701>	Residential Local Service Charge Effective Date	1/1/2013
<702>	Single State-wide Residential Local Service Charge	

[illegible]

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	200267
<015>	Study Area Name	ARMSTRONG TEL. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	James W Ranko
<035>	Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com

[illegible]

<010>	Study Area Code	200267
<015>	Study Area Name	ARMSTRONG TEL. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	James W Ranko
<035>	Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com
<810>	Reporting Carrier	Armstrong Tel. Co.
<811>	Holding Company	Armstrong Group of Companies
<812>	Operating Company	Armstrong Tel. Co.

10/10/2013

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	200267
<015>	Study Area Name	ARMSTRONG TEL. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	James W Ranko
<035>	Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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<015>	Study Area Name	ARMSTRONG TEL. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	James W Ranko
<035>	Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G)

☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G)

☒

(1200) Terms and Condition for Lifeline Customers**Lifeline****Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	200267
<015>	Study Area Name	ARMSTRONG TEL. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	James W Ranko
<035>	Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

200267wv1210

Name of attached document (.pdf)

<1220> Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

[2000] Price Cap Carrier Additional Documentation**Data Collection Form****Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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<035>	Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

<2010> 2nd Year Certification {47 CFR § 54.313(b){1}}

<2011> 3rd Year Certification {47 CFR § 54.313(b){2}}

Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}

<2012> 2013 Frozen Support Certification

<2013> 2014 Frozen Support Certification

<2014> 2015 Frozen Support Certification

<2015> 2016 and future Frozen Support Certification

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification Support Used to Build Broadband

--

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017> 3rd year Broadband Service Certification

<2018> 5th year Broadband Service Certification

<2019> Interim Progress Certification

<2020> Please check the box to confirm that the attached PDF, on line 2021, contains the required information pursuant to § 54.313 (e){3}{iii}, as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

<2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information

<010>	Study Area Code	200267
<015>	Study Area Name	ARMSTRONG TEL. CO.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	James W Ranko
<035>	Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@aqoc.com

Progress Report on 5 Year Plan

- 10/10/2013

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	200267
<015> Study Area Name	ARMSTRONG TEL. CO.
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	James W Ranko
<035> Contact Telephone Number - Number of person identified in data line <030>	724-283-0925
<039> Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or U Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: ARMSTRONG TEL. CO.	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 10/10/2013
Printed name of Authorized Officer: James Mitchell	
Title or position of Authorized Officer: Vice President	
Telephone number of Authorized Officer: 7242830925	
Study Area Code of Reporting Carrier: 200267	Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	200267
<015> Study Area Name	ARMSTRONG TEL. CO.
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<039> Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jranko@agoc.com

<810>	Reporting Carrier	Armstrong Tel. Co.
<811>	Holding Company	Armstrong Group of Companies
<812>	Operating Company	Armstrong Tel. Co.

[illegible]



ARMSTRONG[®]

TELEPHONE COMPANY - NORTHERN DIVISION

ONE ARMSTRONG PLACE • BUTLER, PA 16001 • 724-283-0925 • Fax 283-9655

§54.313(a)(5) – COMPLIANCE WITH SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION

Pursuant to 47 C.F.R. § 54.313(a)(5) and or 47 C.F.R. § 54.422(b)(3) Armstrong Telephone Company – Northern Division (“the Company”) is in compliance with appropriate FCC Service Quality Standards and Consumer Protection Rules. The Company provides CPNI training to all of its new employees and in addition trains all of its existing employees on an annual basis. The Company also conducts subscriber outreach regarding CPNI by periodically placing CPNI explanation messages into subscriber’s bills and also has signage in its business office regarding CPNI rules and regulations. In addition the Company trains staff on Red Flag issues on an annual basis. All company employees are required to sign and acknowledge that they have completed CPNI and Red Flag training and understand obligations to adherence of applicable rules.

Name of Officer (Print) James D. Mitchell

Title: Vice President

Signature 

Date: 10/7/13



ARMSTRONG[®]
TELEPHONE COMPANY - NORTHERN DIVISION

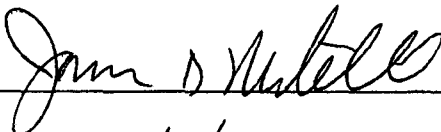
ONE ARMSTRONG PLACE • BUTLER, PA 16001 • 724-283-0925 • Fax 283-9655

§54.313(a)(6) – ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

I am authorized to provide this certification on behalf of Armstrong Telephone Company-Northern Division (the "Company"). I hereby certify that, to the best of my knowledge, the Company is capable of functioning in emergency situations. The Company has a reasonable amount of back-up power to ensure functionality of voice services without a commercial power source. The company's specific back-up power sources are, lead calcium batteries, gel cell batteries, fixed AC and DC natural/LP gas generators, fixed AC and DC gasoline/diesel generators and portable gasoline generators. The Company is able to reroute voice traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations. If there is a failure of the Company's main route, voice traffic is automatically rerouted to the back-up route.

Name of Officer (Print) James D. Mitchell

Title: Vice President

Signature 

Date: 10/1/3

LOCAL EXCHANGE RATES AND REGULATIONS

3. TEL-ASSISTANCE SERVICE (CONT'D)

Rates (cont'd)

Tel-Assistance subscribers are not required to pay the Federal Subscriber Line Charge.

A first-time Tel-Assistance subscriber may, at his or her option and for a period of 120 days following the commencement of his or her Tel-Assistance Service, change back to the service he or she had immediately prior to commencement of his or her Tel-Assistance service, and the following regulations will be in effect for such changes in service:

No nonrecurring service change charges will apply.

The customer will be billed only the local exchange rates and charges for the time that his or her Tel-Assistance Service was in effect that would have been charged for that period had the subscriber not subscribed to Tel-Assistance service.

4. LOW-INCOME PROGRAMS

The Company, as part of its obligations as an Eligible Telecommunications Carrier, offers one (1) low-income assistance program. This program, Lifeline Assistance, is offered under the terms and conditions provided below: (C)

A. Lifeline Assistance

1. General

Lifeline Assistance is a retail service offering available to qualifying low-income subscribers, as provided for below. Lifeline Assistance enables eligible subscribers to pay reduced charges for the following package of services: voice-grade access to the public switched network; voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers. (C)

LOCAL EXCHANGE RATES AND REGULATIONS

4. LOW-INCOME PROGRAMS (CONT'D)

A. Lifeline Assistance (Cont'd)

2. Regulations

a) Unless other eligibility requirements are established by the Commission, Lifeline Assistance is available to all subscribers who participate in one of the following programs: Medicaid; Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps; Supplemental Security Income (SSI); Federal Public Housing Assistance; Low-Income Home Energy Assistance Program (LIHEAP); National School Lunch Program's free lunch program; Temporary Assistance for Needy Families (TANF), or whose household income is below 135% of the Federal Poverty Guidelines for a household of that size.

(C)

(C)

b) Each subscriber to Lifeline Assistance must certify in writing to the Company, under penalty of perjury, that she/he receives benefits under a program outlined in sub-paragraph (b) (1), above, and must, on that same document, agree to notify the Company if she/he ceases to participate in the program. The certification form shall conform to the requirements described herein, and shall be made available upon request to any subscriber. The Company shall retain all such subscriber certifications in order to furnish proof of subscriber eligibility as may be required from time to time by Universal Service administrators.

(C)

c)

(D)

(D)

(D)

d) A subscriber may elect at the time of subscription or later to Lifeline Assistance to receive toll limitation as part of Lifeline Assistance. "Toll limitation" is a service that allows a subscriber to elect not to allow the completion of outgoing toll calls from the subscriber's residence.

LOCAL EXCHANGE RATES AND REGULATIONS

4. LOW-INCOME PROGRAMS (CONT'D)

A. Lifeline Assistance (Cont'd)

2. Regulations (Cont'd)

- a) Lifeline Assistance will not be disconnected for non-payment of toll charges, unless the Company first obtains a waiver from the Commission by demonstrating to the Commission that the Company would otherwise incur substantial costs, that the Company offers toll limitation without charge, and that telephone subscribership among low-income consumers. For purposes of this paragraph, a "low-income consumer" is one with an income below the poverty level for a family of four residing in West Virginia. The Company shall follow all applicable notice provisions as established, from time to time, by the Commission, as part of using a waiver, if granted. The Company may apply for waivers as necessary.
- f) The Company may not collect a service deposit in order to initiate Lifeline Assistance if the qualifying low-income subscriber voluntarily elects toll limitation from the Company.

- 3. Lifeline Assistance provides a Federal credit of \$9.25 on the subscriber's monthly service bill.

(C)
|

(C)

- 4. The Company shall apply the baseline payments received by the administrator of the federal Lifeline Assistance program to waive the qualifying customers' federal End-User Common Line Charge. The Company shall apply any additional federal support amount to the qualifying customer's basic local exchange service rate.
- 5. To be eligible for Lifeline Assistance, qualifying customers must subscribe to the lowest priced, basic local exchange service offering that is made available at the subscriber's domicile.

Armstrong Telephone Company-Northern Division
(Corporate Name)

P.S.C. No. 3 Telephone
Section 3
Original Leaf No.
First Revised Leaf No. 19
Original Leaf No. 19

Superseding

LOCAL EXCHANGE RATES AND REGULATIONS

4. LOW-INCOME PROGRAMS (CONT'D)

A. Lifeline Assistance (Cont'd)

6. Partial payments that are received from Lifeline customers shall first be applied to local service charges and then to any outstanding toll charges.

B. Link Up

1. General

The Link Up program has been eliminated by the Federal Communications Commission effective April 1, 2012.

(C)
(C)

(D)

(D)

Issued by authority of an Order of the Public Service Commission of West Virginia in Case No. 12-0422-T-T dated April 17, 2012, effective May 6, 2012.

Issued April 6, 2012

Effective May 6, 2012

Armstrong Telephone Company-Northern Division
(Corporate Name)

P.S.C. No. 3 Telephone

Section 3

Original Leaf No.

First Revised Leaf No. 20

Original Leaf No. 20

Superseding

LOCAL EXCHANGE RATES AND REGULATIONS

4. LOW-INCOME PROGRAMS (CONT'D)

(D)

(D)

C. All aspects of the Lifeline Assistance program shall be subject to the interpretation of applicable Federal regulations and any directives which may from time to time be prescribed by the Universal Service Administrative Company. These rules are separate and apart from any rules prescribed as part of a state Universal Service program.

(C)

Issued by authority of an Order of the Public Service Commission of West Virginia in Case No. 12-0422-T-T dated April 17, 2012, effective May 6, 2012.

Issued April 6, 2012

Effective May 6, 2012

MOSS ADAMS LLP
Certified Public Accountants / Chartered Financial Advisors

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Armstrong Telephone Company – Northern Division, Inc.

We have audited the accompanying balance sheets of Armstrong Telephone Company – Northern Division, Inc. (Company) as of September 30, 2012 and 2011, and the related statements of income, stockholder's equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Armstrong Telephone Company – Northern Division, Inc. as of September 30, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

MOSS ADAMS LLP

Spokane, Washington
January 4, 2013

ARMSTRONG TELEPHONE COMPANY - NORTHERN DIVISION, INC.
BALANCE SHEETS

ASSETS

	September 30,	
	2012	2011
CURRENT ASSETS		
Cash and cash equivalents	\$ 565,664	\$ 488,226
Subscriber accounts receivable, net of allowance of \$7,783 and \$8,065 in 2012 and 2011, respectively	366,227	365,224
Other accounts receivable, net of allowance of \$2,485 and \$27,588 in 2012 and 2011, respectively	545,437	551,944
Material and supplies	196,541	199,972
Income tax receivable, parent company	185,867	-
Other current assets	126,416	48,572
	<u>1,986,152</u>	<u>1,653,938</u>
PROPERTY, PLANT, AND EQUIPMENT		
Telecommunications plant in service	21,254,364	21,067,642
Nonregulated plant in service	458,112	454,998
Telecommunications plant under construction	17,621	13,304
	<u>21,730,097</u>	<u>21,535,944</u>
Less accumulated depreciation	<u>17,126,496</u>	<u>16,227,232</u>
	<u>4,603,601</u>	<u>5,308,712</u>
	<u>\$ 6,589,753</u>	<u>\$ 6,962,650</u>

ARMSTRONG TELEPHONE COMPANY - NORTHERN DIVISION, INC.
BALANCE SHEETS

LIABILITIES AND STOCKHOLDER'S EQUITY

	September 30,	
	2012	2011
CURRENT LIABILITIES		
Accounts payable	\$ 520,332	\$ 316,314
Advance billing	215,735	212,559
Related party notes payable	1,110,000	1,450,000
Income tax payable, parent company	-	111,648
Accrued interest payable	1,243	6,509
Other accrued taxes	27,022	44,057
Other accrued liabilities	<u>190,386</u>	<u>198,294</u>
Total current liabilities	<u>2,064,718</u>	<u>2,339,381</u>
OTHER LIABILITIES AND DEFERRED CREDITS		
Deferred income taxes	<u>558,579</u>	<u>724,740</u>
STOCKHOLDER'S EQUITY		
Common stock (\$1,000 par value; 250 shares authorized, 135 shares issued and outstanding)	135,000	135,000
Retained earnings	<u>3,831,456</u>	<u>3,763,529</u>
	<u>3,966,456</u>	<u>3,898,529</u>
	<u>\$ 6,589,753</u>	<u>\$ 6,962,650</u>

ARMSTRONG TELEPHONE COMPANY - NORTHERN DIVISION, INC.
STATEMENTS OF INCOME

	Years Ended September 30,	
	2012	2011
Operating revenues		
Wireline		
Customer	\$ 1,618,179	\$ 1,559,632
Intercarrier		
Interstate	1,036,404	920,402
Intrastate	1,019,986	1,148,518
Universal service support - federal	1,619,861	1,986,522
	<u>5,294,430</u>	<u>5,615,074</u>
Internet	<u>1,133,684</u>	<u>947,846</u>
Miscellaneous		
Equipment	111,581	126,628
Carrier billing and collection	17,844	19,706
Other	14,777	14,617
Directory	45,294	54,716
Uncollectible	14,236	(40,384)
	<u>203,732</u>	<u>175,283</u>
Total operating revenues	<u>6,631,846</u>	<u>6,738,203</u>
Operating expenses		
Plant specific operations	1,632,312	1,472,600
Plant nonspecific operations	624,740	486,222
Depreciation	1,084,984	1,406,826
Customer operations	662,091	698,862
Corporate operations	1,645,922	1,515,184
Other operating taxes	190,386	189,807
Nonregulated	430,326	500,912
	<u>6,270,761</u>	<u>6,270,413</u>
Net operating income	<u>361,085</u>	<u>467,790</u>
Nonoperating income (expense)		
Interest and dividend income	137	559
Interest expense	(1,603)	(8,376)
Other nonoperating income (expense)	(1,522)	3,532
	<u>(2,988)</u>	<u>(4,285)</u>
Income before income taxes	358,097	463,505
Income tax expense	<u>(290,170)</u>	<u>(180,221)</u>
Net income	<u>\$ 67,927</u>	<u>\$ 283,284</u>

ARMSTRONG TELEPHONE COMPANY – NORTHERN DIVISION, INC.
STATEMENTS OF CASH FLOW

	<u>Years Ended September 30,</u>	
	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 67,927	\$ 283,284
Adjustments to reconcile net income to net cash from operating activities		
Depreciation	1,084,984	1,406,826
Deferred income taxes	(166,161)	(90,671)
Change in assets and liabilities		
Receivables	5,504	25,275
Material and supplies	3,431	7,499
Other assets	(77,844)	(5,321)
Accounts payable	204,018	(166,314)
Advance billing	3,176	29,136
Income taxes payable/receivable	(297,515)	245,682
Other accrued liabilities	(30,209)	(74,258)
Net cash from operating activities	<u>797,311</u>	<u>1,661,138</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net acquisition of nonregulated equipment	(3,114)	(12,267)
Net acquisition of property, plant, and equipment	(397,460)	(550,067)
Proceeds from sale of property, plant, and equipment	20,701	-
Net cash from investing activities	<u>(379,873)</u>	<u>(562,334)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on related party note payable	(690,000)	(1,275,000)
Proceeds from related party note payable	350,000	-
Net cash from financing activities	<u>(340,000)</u>	<u>(1,275,000)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>77,438</u>	<u>(176,196)</u>
CASH AND CASH EQUIVALENTS at beginning of year	<u>488,226</u>	<u>664,422</u>
CASH AND CASH EQUIVALENTS at end of year	<u>\$ 565,664</u>	<u>\$ 488,226</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION		
Cash paid during the year for		
Interest	<u>\$ 6,870</u>	<u>\$ 17,692</u>
Income taxes	<u>\$ 421,500</u>	<u>\$ 148,600</u>